



511 Barstow Street
Horicon, WI 53032
(414) 485-4783

RECORDATION NO. 1425

AUG 27 1982-10 15 AM

INTERSTATE COMMERCE COMMISSION

2-239A024

No. 1

AUG 27 1982

Date.....

Fee \$ 50.00

ICC Washington, D. C.

August 20, 1982

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Madam:

Enclosed for recordation pursuant to the provisions of Section 11303 of Title 49 of the United States Code and the regulations thereunder, are the original and one copy of Trailer Service and Use Agreement, a primary document, dated February 4, 1982.

The names and addresses of the parties of the enclosed document are:

Wisconsin & Southern Railroad Company
511 Barstow Street
Horicon, WI 53032

Interpool, Ltd.
630 Third Avenue
New York, NY 10017

A general description of the railroad equipment covered by the enclosed document is as follows:

Five Hundred (500) containers including associated chassis and/or component bearing reporting mark and numbers IWSU 290000 through IWSU 290199, IWSU 290200 through IWSU 290299, IWSU 295000 through IWSU 295199.

The original and all extra copies of the enclosed document should be returned to Ms. Sharon Schumacher of Wisconsin & Southern Railroad Company, 2215 Sanders Road, Suite 370, Northbrook, Illinois 60062.

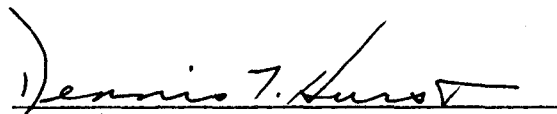
Also enclosed is a remittance in the amount of \$50.00 in payment of recordation fees.

I am an officer of Wisconsin & Southern Railroad Company, and have knowledge of the matters set forth herein.

Very truly yours,

WISCONSIN & SOUTHERN RAILROAD COMPANY

by


Dennis T. Hurst

Interstate Commerce Commission
Washington, D.C. 20423

8/30/82

OFFICE OF THE SECRETARY

Dennis T. Hurst
Wisconsin & Southern RR. Co.
511 Barstow Street
Monroeville, WI 53052

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/27/82 at 10:15am, and assigned re-recording number(s). 13770

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

TRAILER SERVICE AND USE AGREEMENT AUG 27 1982 10 15 AM

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, made as of this 4th day of February, 1982, between Interpool Ltd., a Bahamian corporation having its offices at 630 Third Avenue, New York, New York 10017 (hereinafter referred to as "INTERPOOL"), and Wisconsin & Southern Railroad Co. having its offices at 511 Barstow Street, Horicon, Wisconsin 53032 (hereinafter referred to as "WISCONSIN & SOUTHERN").

1. Scope of Agreement

A. INTERPOOL agrees to provide to WISCONSIN & SOUTHERN and WISCONSIN & SOUTHERN agrees to receive from INTERPOOL up to 500 containers, including associated chassis and/or component thereof as set forth in any equipment schedules executed by the parties concurrently herewith or hereafter and made a part of this Agreement. The word "Schedule" as used herein includes the Schedule or Schedules executed herewith and any additional Schedules and amendments thereto, each of which when signed by both parties shall be a part of this Agreement. The scheduled items of equipment are hereinafter called "Equipment" or "Item or Items of Equipment."

B. It is the intent of the parties to the Agreement that INTERPOOL shall at all times be and remain the owner of all Equipment. WISCONSIN & SOUTHERN agrees that it will at no time take any action or file any document which is inconsistent with the foregoing intent and that it will take such action and execute such documents as may be necessary to accomplish this intent.

2. Term

A. This Agreement shall remain in full force until it shall have been terminated as to all of the Equipment as provided herein. The term with respect to each Item of Equipment described on each Schedule shall be for eight (8) years (the "Initial Term") commencing upon the date when each Item of Equipment on such Schedule shall have been delivered as set forth in Section 3A hereof. This Agreement may be terminated at any time in whole or in part, upon not less than 30 days' notice by either party upon notification of the other party by registered or hand-carried letter. However, due to the location of equipment at time of notification, units may still bear WISCONSIN & SOUTHERN markings until brought to a depot of INTERPOOL for remarking. Until that time, units will be considered as WISCONSIN & SOUTHERN units. However, in no event shall such cancelled units bear WISCONSIN & SOUTHERN marks beyond 30 days of notice of cancellation.

3. Supply Provisions

A. INTERPOOL will inspect each Item of Equipment tendered by the manufacturer for delivery to WISCONSIN & SOUTHERN. Each Item of Equipment shall be deemed delivered to WISCONSIN & SOUTHERN upon acceptance by INTERPOOL or entered into UMLER with WISCONSIN & SOUTHERN markings. The Equipment shall be moved to

WISCONSIN & SOUTHERN railroad line at no cost to WISCONSIN & SOUTHERN as soon after acceptance of delivery by INTERPOOL as is consistent with mutual convenience and economy. Due to the nature of railroad operations in the United States, INTERPOOL can neither control nor determine when the Equipment will actually be available to WISCONSIN & SOUTHERN for its use on its railroad tracks. Notwithstanding that WISCONSIN & SOUTHERN may not have immediate physical possession of the Equipment furnished under this Agreement, INTERPOOL agrees to pay WISCONSIN & SOUTHERN the rent set forth in this Agreement.

B. Additional Equipment beyond the initial schedule shall be furnished by INTERPOOL to WISCONSIN & SOUTHERN only upon and after the mutual agreement of the parties hereto. Such additional Equipment shall be identified in Schedules to this Agreement and shall benefit from and be subject to this Agreement upon execution of the Schedules by INTERPOOL and WISCONSIN & SOUTHERN.

4. Railroad Markings and Record Keeping

A. INTERPOOL and WISCONSIN & SOUTHERN agree that on or before the delivery of any Item of Equipment to WISCONSIN & SOUTHERN, said Equipment will be lettered with the container markings of WISCONSIN & SOUTHERN or such markings as may be assigned for use by WISCONSIN & SOUTHERN and INTERPOOL. Such name and/or insignia shall comply with all applicable regulations.

B. INTERPOOL shall during the term of this Agreement prepare for WISCONSIN & SOUTHERN's signature and filing all documents relating to the registration, licensing, maintenance and record-keeping functions involving the Equipment at no cost to WISCONSIN & SOUTHERN. Such documents shall include, but are not limited to, the following: (1) Registration in the Official Intermodal Equipment Register and the Universal Machine Language Equipment Register, and (2) such reports as may be required from time to time by the ICC and/or other regulatory agencies.

C. INTERPOOL shall, on behalf of WISCONSIN & SOUTHERN, perform all record-keeping functions related to the use of the Equipment by WISCONSIN & SOUTHERN and other railroads in accordance with AAR Interchange Agreements and rules, such as car hire reconciliation. Correspondence from railroads using such Equipment shall be addressed to WISCONSIN & SOUTHERN at such address as INTERPOOL shall elect.

D. All record keeping performed by INTERPOOL hereunder and all records of payments, charges and correspondence related to the Equipment shall be separately recorded and maintained by INTERPOOL in a form suitable for reasonable inspection by WISCONSIN & SOUTHERN from time to time during regular INTERPOOL business hours and will furnish to WISCONSIN & SOUTHERN such documents as WISCONSIN & SOUTHERN may from time to time reasonably request.

5. Maintenance, Taxes and Insurance

A. Except as otherwise provided herein, INTERPOOL will pay all costs, expenses, fees and charges incurred in connection with the use and operation of each Item of Equipment during the term of this Agreement, including but not

limited to replacing worn or damaged parts and tires, repairs, maintenance and servicing, unless the same was occasioned by the fault of WISCONSIN & SOUTHERN. WISCONSIN & SOUTHERN shall inspect all Equipment interchanged to it to insure that each Item of Equipment is in good working order and condition and shall be liable to INTERPOOL for any repairs required for damage not noted at the time of interchange. During the term of this Agreement, INTERPOOL will supply WISCONSIN & SOUTHERN with such new license plates or tags as may be required to use the Equipment. WISCONSIN & SOUTHERN shall be reimbursed by INTERPOOL for labor and materials required in affixing such new license plates.

B. Except as provided above, INTERPOOL shall make or cause to be made such inspection of, and maintenance and repairs to, the Equipment as may be required. INTERPOOL is responsible for and will pay WISCONSIN & SOUTHERN and others for repairs. INTERPOOL shall also make, at its expense, all alterations, modifications or replacement of parts as shall be necessary to maintain the Equipment in good operating condition throughout the lease term of such Equipment. WISCONSIN & SOUTHERN may make running repairs to facilitate continued immediate use of each Item of Equipment, but shall not otherwise make any repairs, alterations, improvements, or additions to any Item of Equipment without INTERPOOL's prior written consent. Title to any such alteration, improvement or addition shall be and remain with INTERPOOL.

C. INTERPOOL shall provide all insurance for Equipment while this Agreement is in effect. Such insurance shall include but not be limited to the following:

- (i) All risk property insurance up to the value of the Equipment and cargo.
- (ii) Comprehensive general liability insurance in an amount not less than \$5,000,000.00.
- (iii) INTERPOOL or its carrier waives the rights of subrogation of any claim against WISCONSIN & SOUTHERN unless such claim is due to the sole negligence of WISCONSIN & SOUTHERN.

D. INTERPOOL agrees to promptly repay WISCONSIN & SOUTHERN for all taxes, assessments and other governmental charges of whatsoever kind or character prior to the time they are required to be paid by WISCONSIN & SOUTHERN relating to each Item of Equipment and on the lease, delivery or operation thereof which may remain unpaid as of the date of delivery of such Item of Equipment to WISCONSIN & SOUTHERN or which may be accrued, levied, assessed or imposed during the Agreement term of such Items of Equipment except taxes on income actually earned by WISCONSIN & SOUTHERN. INTERPOOL and WISCONSIN & SOUTHERN will comply with all state and local laws requiring the filing of ad valorem tax returns on the Equipment. INTERPOOL shall review all applicable tax returns prior to filing.

E. INTERPOOL agrees to reimburse WISCONSIN & SOUTHERN for all expenses incurred due to Items of Equipment returning to WISCONSIN & SOUTHERN's railroad due to no fault of WISCONSIN & SOUTHERN.

F. It is recognized that WISCONSIN & SOUTHERN has limited storage space. INTERPOOL agrees to pay all ramping, deramping and drayage costs incurred because of both the return of empty containers to WISCONSIN & SOUTHERN and the movement of empty containers off WISCONSIN & SOUTHERN. INTERPOOL will reimburse WISCONSIN & SOUTHERN for all car hire charges, both time and mileage, for railcars moving empty containers to or from WISCONSIN & SOUTHERN to include the empty movement of railcars on WISCONSIN & SOUTHERN for container movements into or out of storage. INTERPOOL will reimburse WISCONSIN & SOUTHERN for any penalty car hire charges for railcars with containers returning to WISCONSIN & SOUTHERN that cannot be accepted at interchange. INTERPOOL will reimburse WISCONSIN & SOUTHERN for all container per diem charges, both regular and penalty, incurred for containers returning to WISCONSIN & SOUTHERN that cannot be accepted at interchange. INTERPOOL will pay WISCONSIN & SOUTHERN these charges within 5 working days after presentation of bill by WISCONSIN & SOUTHERN.

6. Service or Usage Fees

A. (i) INTERPOOL shall pay WISCONSIN & SOUTHERN for services provided under this Agreement at a rate of \$0.25 per day per Item of Equipment for each day that an Item of Equipment subject to this Agreement is in per diem service with any other AAR railroad, including Canadian and Mexican railroads that are members of the AAR, and \$0.10 per day per Item of Equipment when units are in possession of a steamship line.

(ii) In the event units are damaged beyond repair or destroyed and an Item of Equipment has been reported in accordance with Rule 7-T of the AAR Code of Trailer and Container Per Diem Rules and Charges and the appropriate amount due as a result thereof is received by INTERPOOL, said damaged or destroyed Item of Equipment will be removed from the coverage of this Agreement as of the date that payment of car hire payments ceased.

B. Fees indicated under 6.A (i) shall be reviewed and adjusted by mutual agreement on a periodic basis, not to exceed the applicable AAR per diem rate adjustments.

C. No per diem or other charges shall be assessed against WISCONSIN & SOUTHERN while Items of Equipment are in the possession, use or control of WISCONSIN & SOUTHERN.

D. INTERPOOL agrees to pay WISCONSIN & SOUTHERN service and usage fees within 5 days of the close of each monthly accounting period in which INTERPOOL has received revenues from hire for any of the Equipment.

7. Possession and Use

A. WISCONSIN & SOUTHERN will not directly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other security interest or claim on or with respect to the Equipment or any interest therein or in this Agreement or Schedule thereto. WISCONSIN & SOUTHERN will promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest, or claim if the same shall arise at any time and shall be reimbursed by INTERPOOL for all costs of removing same.

8. Default

A. The occurrence of any of the following events by either party shall be an event of default:

- (i) The nonpayment of any sum required herein to be paid within ten (10) days after the date any such payment is due.
- (ii) The breach of any other term, covenant, or condition of this Agreement which is not cured within ten (10) days thereafter.
- (iii) Any act of insolvency, or the filing by either party of any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors.
- (iv) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against either party that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of either party unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment.
- (v) The subjection of any of either party's property to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency.
- (vi) Any action by WISCONSIN & SOUTHERN to discontinue rail service on all or a substantial portion of its tracks or abandon a substantial portion of its rail properties pursuant to applicable provisions of the Interstate Commerce Act or the laws of any state.

B. Upon the occurrence of any event of default, the nondefaulting party may, at its option, terminate this Agreement (which termination shall not release either party from any obligation to pay to the other any and all rent or other sums that may then be due or accrued to such date) from the obligation to perform any duty or discharge any other liability occurring prior thereto, and may,

- (i) As to either party proceed by any lawful means to enforce performance of such obligations or to recover damages for a breach thereof (and the defaulting party agrees to bear the other party's costs and expenses, including reasonable attorneys' fees, in securing such enforcements), or
- (ii) As to WISCONSIN & SOUTHERN, INTERPOOL may by notice in writing to WISCONSIN & SOUTHERN, terminate WISCONSIN & SOUTHERN's right of possession and use of the Equipment, whereupon all right and interest of WISCONSIN & SOUTHERN in the Equipment shall terminate; and thereupon INTERPOOL may enter upon any premises where the Equipment may be located and take possession of such Equipment and henceforth hold, possess and enjoy the same free from any right of WISCONSIN & SOUTHERN, thereafter default.

9. Termination

Upon the termination of this Agreement as to any Item of Equipment, WISCONSIN & Southern will surrender possession of such Equipment to INTERPOOL by delivering the same to INTERPOOL. An Item of Equipment shall no longer be subject to this Agreement upon the removal of WISCONSIN & SOUTHERN's railroad markings from such Item of Equipment and the placing thereon of such markings as may be designated by INTERPOOL, either at the option of INTERPOOL, (1) by WISCONSIN & SOUTHERN upon return of such Equipment to WISCONSIN & SOUTHERN's possession or control, or (2) by another railroad line which has physical possession of the Item of Equipment at the time of or subsequent to termination of the Agreement term as to such Item of Equipment. If such Equipment is not on the railroad line of WISCONSIN & SOUTHERN upon termination, any cost of assembling, delivering, storing and transporting such Equipment to WISCONSIN & SOUTHERN's railroad line or the railroad line of a subsequent user of lessee shall be borne by INTERPOOL. If such Equipment is on the railroad line of WISCONSIN & SOUTHERN upon such expiration or termination or is subsequently returned to WISCONSIN & SOUTHERN's railroad line, WISCONSIN & SOUTHERN shall at INTERPOOL's expense within five (5) working days remove and place thereon such markings as may be designated by INTERPOOL. After the removal and replacement of markings, WISCONSIN & SOUTHERN shall use its best efforts to load such Equipment with freight and deliver such Equipment to a connecting carrier for shipment. Should WISCONSIN & SOUTHERN be unable to deliver such Equipment to a connecting carrier under load, and should INTERPOOL require the movement of said Equipment, all charges associated with such movement will be the responsibility of INTERPOOL. WISCONSIN & SOUTHERN shall provide up to sixty (60) days' free storage for up to forty (40) Items of Equipment on its property for INTERPOOL of any terminated Item of Equipment subject to space availability. INTERPOOL will pay charges designated in Lease Addendum No. 1 for the storage of more than forty (40) Items of Equipment for less than sixty (60) days. INTERPOOL shall pay WISCONSIN & SOUTHERN a storage charge of four (\$4.00) dollars per day per unit on all units of Equipment stored on WISCONSIN & SOUTHERN's property in excess of sixty (60) days.

The costs of Equipment storage other than on WISCONSIN & SOUTHERN's property shall be the responsibility of INTERPOOL and INTERPOOL shall promptly reimburse WISCONSIN & SOUTHERN for such costs. If any Item of Equipment is terminated pursuant to Section 8 of this Agreement, INTERPOOL shall be liable for all costs and expenses incurred to repaint such Items of Equipment and place thereon the markings and name of other insignia of INTERPOOL's subsequent user or lessee.

10. Indemnities

INTERPOOL will defend, indemnify, including attorney and legal fees, and hold WISCONSIN & SOUTHERN harmless from and against (1) any and all loss or damage of or to the Equipment, unless occurring while WISCONSIN & SOUTHERN has physical possession of the Equipment and only if due to WISCONSIN & SOUTHERN's negligence and (2) any claim, cause of action, damage, liability, cost or expense which may be asserted against WISCONSIN & SOUTHERN with respect to the Equipment (other than loss or physical damage to the Equipment as provided in (1) above, including without limitation the construction, purchase and delivery of Equipment to WISCONSIN & SOUTHERN's railroad line, ownership, leasing or return of the Equipment), or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects, if any, are latent or are discoverable by INTERPOOL or WISCONSIN & SOUTHERN).

11. Miscellaneous

A. It is expressly understood and agreed by the parties hereto that this Agreement does not constitute a joint venture or partnership. Notwithstanding the calculation of rental payment, nothing herein shall be construed as conveying to WISCONSIN & SOUTHERN any right, title or interest in the Equipment except as a user only.

B. No failure or delay by either party herein shall constitute a waiver or otherwise affect or impair any right, power or remedy available except as otherwise provided herein; nor shall any waiver or indulgence by either party or any partial or single exercise of any right, power or remedy preclude any other or further exercise of any other right, power or remedy, except as otherwise provided in this Agreement.

C. This Agreement shall be governed by and construed according to the laws of the State of Illinois.

D. It is expressly understood and agreed by the parties hereto that there is to be no cost or obligation to be imposed upon the State of Wisconsin as a result of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

INTERPOOL LTD.

WISCONSIN & SOUTHERN RAILROAD COMPANY

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

LEASE ADDENDUM NO. 1

INTERPOOL is aware that WISCONSIN & SOUTHERN has limited storage space for containers. The WISCONSIN & SOUTHERN agrees to store up to 40 containers at its expense; i.e., no storage charges will be assessed against INTERPOOL. In the event that more than 40 containers are stored on the WISCONSIN & SOUTHERN and WISCONSIN & SOUTHERN agrees that it can arrange storage for additional units, INTERPOOL will be assessed a storage charge of \$.50 per container per day for every container stored on the WISCONSIN & SOUTHERN in excess of 40 containers.

This Lease Addendum specifies the obligations and charges for storage of containers only. All costs and charges associated with the movement and handling of containers, both into or out of storage, will be for the account of INTERPOOL as set forth in the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Addendum as of the date below written.

INTERPOOL LTD.

WISCONSIN & SOUTHERN RAILROAD COMPANY

BY: [Signature]

BY: [Signature]

TITLE: [Signature]

TITLE: President

DATE: March 1, 1982

DATE: Feb 4, 1982

LEASE ADDENDUM NO. 2

Paragraph 9 - 3rd line from the bottom shall be changed to read as follows:

"Interpool shall pay Wisconsin & Southern Railway a storage charge of \$1.00 per day, per unit on all units of equipment stored on Wisconsin & Southern's property in excess of sixty (60) days."

IN WITNESS WHEREOF, the parties hereto have executed this Lease Addendum as of the date below written.

INTERPOOL LIMITED

By 

Title Vice President

Date March 19 1982

WISCONSIN & SOUTHERN RAILROAD CO.

By 

Title President

Date March 16, 1982

SCHEDULE

This Equipment Schedule is a part of the Trailer Service And Use Agreement dated February 4, 1982 between Interpool Ltd. and Wisconsin & Southern Railroad Company.

The equipment consists of up to five hundred (500) containers, including associated chassis and/or component bearing identifying numbers as follows:

IWSU 290000 through IWSU 290199, inclusive
IWSU 290200 through IWSU 290299, inclusive
IWSU 295000 through IWSU 295199, inclusive

INTERPOOL LTD.

By:

Title:

Date:

WISCONSIN & SOUTHERN RAILROAD COMPANY

By:

Title:

Date:

J. E. Janzen
Vice President
July 1972 1982

Dennis T. Hurst
Vice President, Treasurer
23 July 1982